

## AUDITOR GENERAL (50)

### AGENCY PLAN MISSION, GOALS AND BUDGET SUMMARY

#### AGENCY MISSION:

The mission of the Office of the Auditor General (OAG) is to act as an independent, full-service appraisal function to examine and evaluate the City's activities in order to improve the accountability for public funds and to improve the operations of City government. We promote the economy, efficiency, and effectiveness of City government, and protect against fraud, waste, and abuse, by conducting independent audits, investigations, and evaluations; by keeping the City Council and the Mayor fully and currently informed of our work; by committing to total quality; by adhering to the professional standards of the auditing profession; and by promoting an atmosphere of mutual trust, honesty, and integrity among OAG staff and the people we serve.

#### AGENCY FINANCIAL SUMMARY:

2003-04 <u>Requested</u>		2002-03 <u>Budget</u>	2003-04 <u>Recommended</u>	Increase <u>(Decrease)</u>
\$ 3,618,615	City Appropriations	\$ 3,106,533	\$ 3,060,648	\$ (45,885)
\$ 3,618,615	Total Appropriations	\$ 3,106,533	\$ 3,060,648	\$ (45,885)
\$ 200,000	City Revenues	\$ 200,000	\$ 200,000	\$ -
\$ 200,000	Total Revenues	\$ 200,000	\$ 200,000	\$ -
\$ 3,418,615	NET TAX COST:	\$ 2,906,533	\$ <u>2,860,648</u>	\$ (45,885)

#### AGENCY EMPLOYEE STATISTICS:

2003-04 <u>Requested</u>		2002-03 <u>Budget</u>	04-01-03 <u>Actual</u>	2003-04 <u>Recommended</u>	Increase <u>(Decrease)</u>
<u>26</u>	City Positions	<u>26</u>	<u>21</u>	<u>24</u>	(2)
26	Total Positions	26	21	24	(2)

#### ACTIVITIES IN THIS AGENCY:

	2002-03 <u>Budget</u>	2003-04 <u>Recommended</u>	Increase <u>(Decrease)</u>
Auditing Operations	\$ 3,106,533	\$ 3,060,648	\$ (45,885)

## **AUDITOR GENERAL (50)**

### ***AUDITING OPERATIONS ACTIVITY INFORMATION***

#### **ACTIVITY DESCRIPTION: AUDITING OPERATIONS**

The OAG performs audits of each City agency and prepares written reports that convey the resultant audit findings and recommendations to the City Council, the Mayor, and the management of each agency.

The OAG also performs special projects and other work, as requested by City Council, as initiated internally, or as required by City Code. Many of these projects result in formal reports or other communications to City Council. The Office also analyzes the Mayor's proposed City budget for City Council each fiscal year.

The annual financial audits of the City and its Federal financial assistance programs are performed by qualified outside auditors hired by the Office of the Auditor General.

#### **GOALS:**

1. Improve the auditing and consulting capabilities of the OAG staff.
2. Improve the quality and timeliness of audit reports.
3. Complete a minimum of ten performance audits and ten financial audits.
4. Identify opportunities for expense savings and increased revenues.

#### **MAJOR INITIATIVES**

The Office of the Auditor General's major initiatives planned for the fiscal year ending June 30, 2004 include a comprehensive report on the City's fulfillment of its healthcare mandate, a report on the Police Department's handling of the City's authorized towers, and an enhanced report on the City's financial position.

#### **PLANNING FOR THE FUTURE:**

One of the most important issues confronting the Office of the Auditor General is the dearth of proficiency among the auditors and the management team. The Auditor General will devote a significant amount of time during the year in recruiting and developing the audit team.

**AUDITOR GENERAL (50)*****AUDITING OPERATIONS MEASURES AND TARGETS***

Goals: Measures	2000-01 Actual	2001-02 Actual	2002-03 Projection	2003-04 Target
Conduct Internal Control Reviews and/or operational/performance audits and submit reports on related findings to the Mayor and to City Council: Internal Control and Performance Audit Reports Submitted	7	4	7	6
Perform audits of financial transactions of City agencies and submit reports on related findings to the Mayor and to City Council: Reports on Audits of Financial Transactions	6	2	8	8
Perform special projects, such as investigations, benchmarking, research, and City Council requests: Special Project Reports Issued	5	6	12	7
Hear and make decisions on all claims forwarded from the Law Dept and communicate the outcome in a timely manner: Claims hearings	107	136	110	125
<b>Activity Costs</b>	<b>\$3,018,750</b>	<b>\$3,037,831</b>	<b>\$3,060,648</b>	<b>\$3,060,648</b>

**CITY OF DETROIT**  
**Auditor General**  
**Financial Detail by Appropriation and Organization**

<b>Administration &amp; General Office</b> <b>Auditing Operations</b>	<b>2002-03</b> <b>Redbook</b>		<b>2003-04</b> <b>Dept Final</b> <b>Request</b>		<b>2003-04</b> <b>Mayor's</b> <b>Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<i>APPROPRIATION</i> <i>ORGANIZATION</i>						
00261 - Auditing Operations						
500010 - Administration & General Office	5	\$757,596	5	\$836,372	5	\$691,870
500020 - Auditing-Operations	21	\$2,348,937	21	\$2,782,243	19	\$2,368,778
<b>APPROPRIATION TOTAL</b>	<b>26</b>	<b>\$3,106,533</b>	<b>26</b>	<b>\$3,618,615</b>	<b>24</b>	<b>\$3,060,648</b>
<b>ACTIVITY TOTAL</b>	<b>26</b>	<b>\$3,106,533</b>	<b>26</b>	<b>\$3,618,615</b>	<b>24</b>	<b>\$3,060,648</b>

**CITY OF DETROIT**  
**Budget Development for FY 2003 - 2004**  
**Appropriations - Summary Objects**

	<b>2002-03 Redbook</b>	<b>2003-04 Dept Final Request</b>	<b>2003-04 Mayor's Budget Rec</b>
<b>AC0550 - Auditing Operations</b>			
<i>A50000 - Auditor General</i>			
SALWAGESL - Salary & Wages	1,414,828	1,590,991	1,423,292
EMPBENESL - Employee Benefi	704,479	897,886	824,368
PROFSVCSL - Professional/Cont	783,519	900,000	600,000
OPERSUPSL - Operating Supplie	13,000	17,600	17,600
OPERSVCSL - Operating Service	142,007	161,638	161,638
CAPEQUPSL - Capital Equipmen	15,200	17,000	17,000
OTHEXPSSL - Other Expenses	33,500	33,500	16,750
<i>A50000 - Auditor General</i>	<i>3,106,533</i>	<i>3,618,615</i>	<i>3,060,648</i>
<b>AC0550 - Auditing Operations</b>	<b>3,106,533</b>	<b>3,618,615</b>	<b>3,060,648</b>
<b>Grand Total</b>	<b>3,106,533</b>	<b>3,618,615</b>	<b>3,060,648</b>

**CITY OF DETROIT**  
**Budget Development for FY 2003 - 2004**  
**Appropriation Summary - Revenues**

	2001-02 Actuals	2002-03 Redbook	2003-04 Dept Final Request	2003-04 Mayor's Budget Rec	Variance
<b>A50000 - Auditor General</b>					
<i>00261 - Auditing Operations</i>					
449125 - Personal Services	969,452	200,000	200,000	200,000	0
<i>00261 - Auditing Operations</i>	969,452	200,000	200,000	200,000	0
<b>A50000 - Auditor General</b>	<b>969,452</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>
<b>Grand Total</b>	<b>969,452</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>

**CITY OF DETROIT  
MAYOR'S 2003/2004 RECOMMENDED BUDGET**

**Auditor General**

<b>Appropriation</b>	<b>REDBOOK FY</b>	<b>DEPT REQUEST</b>	<b>MAYORS FY</b>
<b>Organization</b>	<b>2002 2003 FTE</b>	<b>FY 2003 2004 FTE</b>	<b>2003 2004 FTE</b>
<b>Classification</b>			
<b>00261 - Auditing Operations</b>			
<b>500010 - Administration &amp; General Office</b>			
Auditor General	1	1	1
Deputy Auditor General	1	1	1
Chief Auditor	1	1	1
Executive Secretary III	1	1	1
Office Assistant III	1	1	1
<b>Total Administration &amp; General Office</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>500020 - Auditing-Operations</b>			
Manager II - Auditor General	2	2	2
Senior Auditor	6	6	6
Auditor	13	13	11
<b>Total Auditing-Operations</b>	<b>21</b>	<b>21</b>	<b>19</b>
<b>Total Auditing Operations</b>	<b>26</b>	<b>26</b>	<b>24</b>
<b>Agency Total</b>	<b>26</b>	<b>26</b>	<b>24</b>